



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Use of Request for Proposal Process and Authorize Solicitation of Proposals for Purchase of Water Meters for a Residential Water Meter Retrofit Project

**MEETING DATE:** October 5, 2005

**PREPARED BY:** Public Works Director

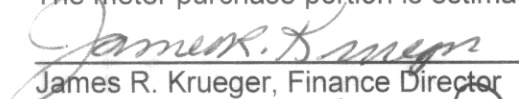
**RECOMMENDED ACTION:** That the City Council approve the use of Request for Proposal process and authorize solicitation of proposals for purchase of water meters for a Residential Water Meter Retrofit project.

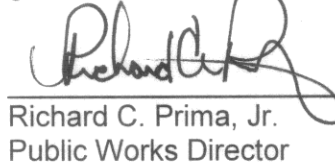
**BACKGROUND INFORMATION:** Assembly Bill 2572 was signed into law on September 29, 2004, and took effect January 1, 2005. The law mandates certain domestic water services must be billed by metered usage by 2010 and all water services be metered by January 1, 2025. The Public Works Department is proposing to begin implementation of this mandate by conducting a water meter pilot project to gather valuable usage data. The plan is to purchase approximately 400 new domestic water meters as detailed in the Request for Proposal (installation will be a separate contract). The water meters will utilize electronic remote reading capabilities which are compatible with the electric meter remote reading system. This concept allows the City to read and gather all water and electric meter data at the same time.

The Public Works Department is recommending the use of a Request for Proposal over a bidding format. This will allow a thorough evaluation of all of the technical aspects of this purchase and allow staff to base the decision on the product's over-all value, long-term advantages, and versatility, rather than just initial purchase price. The City has approximately 17,000 domestic water services, and the Public Works staff will recommend that the City choose and standardize on one, or possibly two, meter systems that will work for the City both now and well into the future.

**FISCAL IMPACT:** The pilot locations will be residences which have already paid for a meter. (These are mainly homes built since 1992.) Water utility revenue will not change initially, as we are proposing not to actually bill by the meter until the water rate is verified. Staff will bring various policy and financial issues regarding meter installations to the Council later this year.

**FUNDING AVAILABLE:** \$180,000 is included in the FY 05/06 Water Utility budget for this project. The meter purchase portion is estimated at \$95,000.

  
James R. Krueger, Finance Director

  
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Public Works Director

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cc: Assistant Water/Wastewater Superintendent

**APPROVED:**   
Blair King, City Manager